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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case, No.
19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**REORGANIZED DEBTORS' STATUS
CONFERENCE STATEMENT**

Date: April 15, 2024

Time: 10:00 a.m.

(Tele/Videoconference Only)

1 PG&E Corporation and Pacific Gas and Electric Company (collectively, “PG&E”), as
2 debtors and reorganized debtors (the “Reorganized Debtors”) hereby submit this statement in
3 advance of the status conference to be held on April 15, 2024.

4 **1. Current Status of Claim Objection**

5 At the last status conference, the Court scheduled a three-day trial for June 24-26, 2024.
6 The parties began in earnest to schedule expert depositions. However, issues have arisen in that
7 process, discussed more below. The Reorganized Debtors have also continued to request
8 mediation date availability from Claimant, but have yet to have dates provided. As part of
9 meeting and conferring on expert and mediation issues, the parties agreed and jointly requested to
10 the Court that the June trial date be continued to a date to be determined at this status conference.
11 The Court granted that request on March 29, 2024. The parties now come to address the discovery
12 and mediation issues, secure a continued trial date, and provide the Court with guidance on
13 anticipated issues for trial.

14 **2. Parties’ Meet and Confer On Trial-Setting**

15 On April 9, 2024, counsel for the parties met and conferred via teleconference to try to
16 reach agreement on trial-setting and related scheduling issues. During that meeting, counsel for
17 the parties each agreed to propose to their respective clients the following trial-setting timeline and
18 related pre-trial deadlines and/or benchmarks:

- 19 • Continued trial date: September 10-12, 2024, subject to the Court’s availability;
- 20 • Deadline of May 21, 2024, for hearing on any of the currently outstanding
21 discovery disputes not resolved by the parties via meeting and conferring/the
22 Court’s informal resolution processes;
- 23 • Preference for reserving two potential dates for mediation sessions: (1) an early,
24 pre-expert session, set after discovery disputes are resolved, likely early June, and
25 (2) a second session, if needed and deemed appropriate by the parties, to occur after
26 expert depositions, in approximately late July; and
- 27 • Agreement to re-set the six disclosed expert depositions (four noticed by Claimant,
28 two noticed by the Reorganized Debtors) for mutually agreeable dates in

1 approximately mid-to-late June, pending witness availability. The parties intend
2 these depositions to be set after the above referenced discovery disputes are
3 resolved, and if proceeding with early mediation, after that has occurred.

4 Because the parties wished to provide the Court this report sufficiently ahead of the status
5 conference, the above proposed timelines are not yet confirmed; however, counsel for the parties
6 agreed to make best efforts to try to secure approval from their respective clients before appearing
7 at the hearing.

8 **3. Discovery Issues**

9 After the January status conference, the parties moved forward with noticing each other's
10 respective experts for deposition. Since then, several issues have arisen:

- 11 • Claimant-noticed depositions: Claimant noticed three PG&E
12 employee experts for depositions on April 2, 4, and 9, respectively.
13 Claimant noticed the Reorganized Debtors' retained expert (Michelle
14 Patton) for April 12. Inexplicably, Claimant also issued a notice
15 (without subpoena) *to the Reorganized Debtors* for the deposition of
16 Melanie Brayton, a third-party fact witness not in the employ of or
17 disclosed as an expert witness by the Reorganized Debtors.
 - 18 ○ Since then, as explained below, Claimant unilaterally
19 continued the depositions of the three PG&E employee
20 experts and one retained expert to a date to be determined.
21 Counsel for the parties are in discussion on continued dates
22 for these four experts, as part of their agreement on the
23 continued trial date.
- 24 • Reorganized Debtors-noticed depositions: The Reorganized Debtors
25 noticed Claimant's two disclosed experts, John Mateo and Amir
26 Shahmirza, for deposition on April 16 and 17, respectively.
 - 27 ○ Claimant's counsel represented that if the Reorganized
28 Debtors did not continue these depositions after he elected to

1 cancel his own unilaterally, Claimant's experts would refuse
2 to appear. Though the Reorganized Debtors believe there is
3 no basis for such refusal, as part of further meeting and
4 conferring, the Reorganized Debtors have agreed to continue
5 these depositions to the periods discussed above, in
6 conjunction with the other negotiated trial and trial-related
7 dates.

- 8 ○ Claimant failed to provide any documents in response to the
9 Reorganized Debtors' notices of deposition and request for
10 production of documents; responsive documents to the notice
11 were due March 29, pursuant to FRBP 7030 (adopting FRCP
12 30) and FRBP 7034 (adopting FRCP 34). Additionally, while
13 Claimant has since agreed to produce responsive documents
14 forthwith, should those not be timely produced, the
15 Reorganized Debtors reserve the right to seek sanctions
16 including exclusion at trial.

- 17 • Document Requests: Each party served with their deposition notices
18 certain requests for documents. Of note, Claimant's requests to the
19 PG&E employee experts were not limited to their expert opinions, but
20 contained requests aimed at making an end-run around long closed
21 fact discovery, demanding categories of documents none of the
22 experts considered or relied on, and that have no part in their expert
23 testimony.

- 24 ○ On March 21, 2024, the Reorganized Debtors timely provided
25 responses and objections to Claimant's notices of all four
26 disclosed experts (three employee and one retained), and the
27 one fact witness not connected to the Reorganized Debtors. In
28 doing so, the Reorganized Debtors requested the parties meet

1 and confer on production of documents ahead of each expert's
2 deposition.

3 ○ In response to the timely served responses, Claimant issued
4 two meet-and-confer letters. The first letter refused to meet
5 and confer on a production date and demanded production the
6 following business day of all responsive documents or else
7 Claimant's depositions would be cancelled (which eventually
8 happened anyway). Despite the one-sidedness, the
9 Reorganized Debtors worked through the weekend to produce
10 documents the following business day as a continued showing
11 of good faith. Claimant then sent a second letter with more
12 demands and confusing statements.

13 ○ In the second letter, Claimant: (1) unilaterally cancelled the
14 depositions of the three PG&E employee expert witnesses,
15 which the parties had worked diligently to schedule; (2) made
16 unfounded claims about entitlement to conduct fact discovery
17 via expert deposition notices and in conflict with the Court's
18 order regarding fact discovery, in that the Claimant's notice
19 improperly seeks to require the production of a third party
20 witness to a deposition after the percipient discovery has been
21 closed by stipulation of the parties and Court Order (see
22 Docket No. 13921); and (3) asserted, without any specifics,
23 that certain unspecified documents produced in response to
24 the document requests for the Reorganized Debtors' non-
25 retained experts had been "corrupted." The claimed file
26 corruption issue still has not been clarified or explained by
27 Claimant, despite requests from the Reorganized Debtors.
28

- 1 ○ The Reorganized Debtors responded to the second letter, and
2 confirmed that all but four of the hundreds of produced
3 documents were PDFs and easily opened and viewable. They
4 offered to assist Claimant if he had difficulties accessing the
5 four non-PDF files. The Reorganized Debtors further offered
6 to work with Claimant to understand any issue Claimant may
7 have regarding any specific document that Claimant asserted
8 had been corrupted, as none of the files appear corrupted after
9 a review.

10 After their joint teleconference on April 9, 2024, the parties agreed to attempt
11 to resolve the above discovery issues via further discussions, but should they not be
12 able to, they will avail themselves of the Court's process for meeting and conferring
13 and coordinating with the Court for an informal discovery conference with the Court
14 and, if that is not successful, for seeking Court intervention through applicable
15 motion practice , with a deadline of May 21, 2024 to have any hearing on currently
16 existing issues not otherwise resolved by the parties or the Court's informal
17 processes.

18 **4. Mediation**

19 As the parties have reported to the Court before, the parties have stated their
20 agreement to mediate *in principle*. However, converting that to reality has been
21 unsuccessful. The Reorganized Debtors identified mediators and all parties agreed
22 that Mr. Brad Bening, of ADR Services, Inc., was the right choice. Though the
23 Reorganized Debtors have been requesting dates from Mr. Bening's office
24 repeatedly as time marched on, Claimant still has not identified any specific dates
25 for the mediation. What is clear is that a mediation would be of great benefit to all
26 the parties and the Court. There is a significant disconnect between the two
27 appraisers, and fundamental disagreements remain about the rights at issue. The
28 assistance of a mediator like Mr. Bening, who is experienced in such real property

1 disputes, would be invaluable. It would afford the mediator the opportunity to
2 unpack those issues and educate the parties. A mediation would give the parties a
3 chance to resolve this case ahead of trial.

4 As noted above, the parties made some progress on this issue via meeting and
5 conferring, and it is agreed that the parties will seek dates for an early mediation,
6 likely to occur in or around early June, while also reserving the option to seek a
7 second session should that be needed, after expert discovery is completed, likely to
8 be in late July.

9 **5. Trial**

10 Since the Court removed the June trial date from calendar at the parties' joint
11 request, the parties request a new trial date be set. Given the above provided
12 information and issues, the parties have discussed September 10-12 as the bench trial
13 dates, subject to the Court's availability.

14 As Reorganized Debtors have disclosed for some time now, lead trial counsel
15 in this matter has back-to-back trials in July and August: July 8, 2024 - August 2,
16 2024 (*King/Shull/Wasdin v. PJ Helicopters/PG&E* (consolidated trials)), San
17 Francisco Superior Court and August 8, 2024 - August 30, 2024 (*CSAA v.*
18 *SUNRUN/PG&E* (consolidated trials)), Santa Clara Superior Court. As such, a
19 September trial date is the soonest that the parties will be able to call trial ready. This
20 is especially true given the changed status and timing of expert depositions, the still
21 unconfirmed mediation, and the pre-trial issues that need to be addressed.

22 **6. Other Trial Issues**

23 As to trial issues for this Court's consideration, the Reorganized Debtors note
24 the following issues, either for discussion at this status conference, or a later one to
25 be set sufficiently ahead of the trial date:

- 26 1. Daubert Motions: The Reorganized Debtors anticipate a Daubert motion as
27 to Claimant's experts. That motion cannot occur until after expert
28 depositions conclude, but it must occur sufficiently ahead of trial to allow the

1 Court's ruling to guide trial preparation. The Reorganized Debtors want to
2 raise this issue to the Court at this early stage and ahead of setting the
3 continued trial date.

- 4 2. Demonstratives: The Court's form trial order reflects that special permission
5 is needed for demonstratives. The Reorganized Debtors believe, given the
6 Court's prior feedback at a previous hearing on certain images related to the
7 property and transmission lines in this case, that limited demonstratives
8 would be of great benefit to the Court and the parties. Prior to undertaking
9 the work and expense, however, the Reorganized Debtors want to secure
10 approval from the Court to use them at time of trial.

11 Dated: April 11, 2024

12 KELLER BENVENUTTI KIM LLP
13 ROVENS & LAMB LLP
14 HANSON BRIDGETT LLP

15 /s/ *Steven A. Lamb*

16 *Steven A. Lamb*
17 *Attorneys for Debtors and*
18 *Reorganized Debtors*